

# Australian Government Productivity Commission

## Rural Research and Development Corporations

### Draft Report September 2010

#### Submission from Environmental Farmers Network.

EFN represents farmers in south-east Australia interested in sustainable farming in a social, environmental and economic sense. We represent mostly commercial farmers very concerned about the impact of climate change on farms, people and landscapes, loss of farm biodiversity and the loss of farmland and relatively natural areas to urban expansion. Our policies and previous submissions are available at [www.environmentalfarmers.net.au](http://www.environmentalfarmers.net.au). In particular, we encourage strong greenhouse gas mitigation and adaptation to climate change. We strongly support State and Federal Governments developing market mechanisms that reward those landholders providing ecosystem services such as retention and protection of biodiversity on farms and carbon sequestration.

#### **Recommendations Page 173**

Whilst EFN strongly supports the current system co-investment model where the Australian Government matches contributions for Research in Primary Industries we understand that private benefits of research may be higher than 50%. However the benefits of this research are passed on not only to farmers but to all Australians in the form of cheaper food and fibre products. Food security is already an issue in some overseas countries and the situation is likely to worsen with predicted world population trends and climate change predictions.

On balance the proposal to reduce the Government contributions to 25% in a staged manner is acceptable given that an additional body is recommended to be funded to conduct research on broader environmental and social issues affecting our sustainability. Public good issues such as consumer safety, bio-threats, animal welfare and the protection of our natural resource base could be overlooked if the proposed new Rural Research Australia RDC is not established. The new research organization will need to have the capacity to integrate its results into productive farming enterprises.

We do not necessarily agree that the reduction in funding from Government sources will be offset by additional funding from corporate/private/farming interests. We understand that the reduction in funding will impact on the agricultural research capacity of many Universities. This may have unforeseen impacts on our future capacity to provide a continuing source of well qualified Agricultural Scientists capable of undertaking research. This argument also applies to CSIRO and State Government agencies. Most of Australia is an ancient landscape with poor soil

resources and an erratic climate and our research needs are probably unique and unlikely to be replicated overseas. We will be impacted severely by climate change more so than many other countries and we will need a massive research effort to offset negative climate affects which will compound our already highly variable and mostly unpredictable weather. We do not want to lose any capacity to sustainably feed ourselves into the future.

### **Gaps in Research and Development**

EFN assumes that the gaps created by the Australian Government's recent abolition of Land and Water Australia, a research funding body that concentrated on broader environmental issues facing all farmers will be covered by the proposed RRA body. The research outputs of LWA were recognized as providing vital information for farmers to farm sustainably whilst preserving soil, water and vegetation resources.

### **Climate Change**

Farming in Australia in the future will change dramatically due to climate change. Large areas of land will be unsuitable for traditional pursuits such as cropping or grazing. These areas will still need to be managed and a new system of rewarding land managers for protecting land, vegetation and water resources will need to be developed. The development of a national ecosystem services market mechanism and associated metrics is vital to Australia's rural future. Providing ecosystem services is an emerging primary industry that will need an appropriate level of research and investigation.

### **Funding Model**

EFN consider that, as most natural resources Research and Development needs longer time frames, NRM research funding under the corporations model (PIERD Act) is superior to the annual funding model of the Financial Management Act.

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